

## REMARKS/ARGUMENTS

The rejections presented in the Office Action dated March 22, 2006 (hereinafter Office Action) have been considered. Claims 1-63 remain pending in the application. Claims 41-50 are withdrawn. Reconsideration of the pending claims and allowance of the application in view of the present response is respectfully requested.

Claims 1, 21 and 60 stand rejected under 35 U.S.C. §112, first paragraph, as failing to comply with the written description requirement.

Applicant respectfully disagrees with Examiner's analysis with regard to the rejections under 35 U.S.C. §112. However, to expedite prosecution claims 1, 21, 22, and 60 have been amended to facilitate a clearer interpretation of Applicant's invention. Independent claims 1, 21, 22, and 60, as amended, recite, in some form, that the trusted server acts as an impartial intermediary for implementation of the contract between the merchant system and the buyer system. These amendments do not narrow the scope of the claims.

At page 3, lines 18-23, the specification describes the problems with conventional systems addressed by the trusted server. As described by the specification at this section, on one hand, the merchant may be disadvantaged if the buyer repudiates the transaction. On the other hand, the buyer may be disadvantaged if the merchant or product is not authentic.

The trusted server of the present invention addresses these concerns as an even-handed or impartial intermediary for contract implementation. For example, from the merchant's standpoint, the trusted server may assure non-repudiation by the buyer of the contract. (See page 7, lines 4-6 of the disclosure) From the buyer's standpoint, the trusted server may assure the authenticity of the merchant and/or the merchant's product for the buyer. (See page 7, lines 17-22 of the specification). The server acts as an impartial intermediary for these and/or other details related to the contract implementation, and is, therefore, "trusted" from the standpoint of both the merchant and buyer.

Claims must be supported in the specification through express, implicit or inherent disclosure. MPEP 2163 (I)(B). There is no requirement that the words in the claim must match those used in the specification disclosure. MPEP 2173.05(e). Applicants are given a

great deal of latitude in how they choose to define their invention.” MPEP 2173.05(e). Applicant respectfully asserts that although the term “impartial” is not expressly used in the disclosure, the disclosure provides ample support for the limitations related to the trusted server configured to act as an impartial intermediary for contract implementation. The disclosure describes a server that operates to provide even-handed or impartial implementation of the contract, at times serving the interests of the merchant, and at times serving the interests of the buyer.

The trusted server of the present invention differs from the broker-agent system described by Morimoto because the purpose of Morimoto’s broker-agent is to operate on behalf of a client to achieve the “best deal” for a particular client. The broker-agent system does not serve as an impartial intermediary for implementation of the contract between the seller and buyer because the broker-agent of Morimoto only works to achieve the best deal for the buyer.

Claims 1-15, 21-27, 33-40, 51, 52 and 60-62 stand rejected under 35 U.S.C. §103(a) as being unpatentable over U.S. Publication No. 2002/0013774 by *Morimoto* (hereinafter “*Morimoto*”) in view of U.S. Publication No. 2002/0046187 by *Vargas et al.* (hereinafter “*Vargas*”).

Three criteria must be met to establish a *prima facie* case of obviousness. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference. Second, there must be a reasonable expectation of success. Finally, the prior art reference, or combination of references, must teach or suggest all the claim limitations. MPEP § 2142. Applicant respectfully disagrees with the rejections under 35 U.S.C. §103(a) because the prior art fails to disclose all the claim limitations, there is no evidence of a motivation to combine the references as proposed by the Examiner, and there would be no expectation that any such combination or modification would be successful.

Each of the rejections under 35 U.S.C. §103(a) depends on *Morimoto* as the primary reference. The Office Action states that at paragraph (0012) *Morimoto* teaches a trusted server that prepares a contract between a merchant system and a buyer system and serves as

an intermediary for the contract. However, Morimoto is silent regarding a contract between a merchant system and a buyer system. In contrast to Applicant's invention, as recited in independent claims 1, 21, 22, and 60, for example, Morimoto describes a contract between a personal broker-agent and a buyer NOT a merchant system and a buyer. Morimoto does not mention any contract between a merchant system (supplier) and a buyer, preparation of any such contract, or implementation of the contract.

The Office Action states that Morimoto teaches that the personal broker-agent prepares a contract for a transaction between a merchant system and a buyer system and sends the prepared contract to the buyer system for acceptance by a user of the buyer system.

However, Morimoto does not teach or suggest these limitations at paragraph (0012) or elsewhere. The Examiner takes the position that the trusted server corresponds to the personal broker-agent described in Morimoto. At paragraph (0012) Morimoto discusses a contract between a personal broker-agent and the purchaser. The contract described in Morimoto is not a between the merchant system and the buyer system as recited in Applicant's claims 1, 21, 22, and 60.

Morimoto also does not teach or suggest preparation of a contract, as in Applicant's claims. Morimoto only states that a personal broker-agent offers a contract to the purchaser. Morimoto is silent as to how such a contract is prepared or whether the personal broker-agent system prepares any such contract. Furthermore, Morimoto describes an approach that involves issues that are determined prior to any contract being prepared between the merchant and buyer – e.g., determining which merchant to purchase from– the merchant that offers the best price for a product.

Morimoto does not teach or suggest that the personal broker-agent returns an accepted contract to the merchant system. The Office Action states that Morimoto's process of conducting an auction to find a better deal for the buyer teaches the limitation of returning the accepted contract to the merchant system. Applicant respectfully disagrees. Conducting an auction involves determining the lowest price for a product. This would

occur before a contract could be prepared. Conducting an auction does not equate to preparing a contract or returning an accepted contract.

Morimoto does not teach or suggest at least the claim limitations discussed above. The Vargas reference also does not teach or suggest these missing limitations. Vargas is directed to an automated system for managing mergers and acquisitions of businesses. The system described in Vargas does not provide for contract preparation or implementation and only provides a server that allows potential buyers and sellers to acquire information about each other, generate expressions of interest, and offers (See abstract). The system described by Vargas serves to allow companies to exchange information and is not actively involved in preparation of the contract and is not a trusted server with respect to contract implementation.

The Examiner states that Vargas teaches a trusted server that serves as an intermediary for implementation of the contract, however, Vargas does not teach this limitation because the Vargas server is not a trusted server with respect to contract implementation, and only allows entities to exchange information.

At the paragraph (0005) referenced by the Examiner, the disclosure of Vargas explicitly states in the background with reference to a particular system, “The services *do not extend*, however, into the negotiation, facilitation, or consummation of transactions.” Applicant asserts that one skilled in the art would not be motivated by this statement to devise a system for contract preparation and implementation as set forth, for example, in Applicant’s claims 1, 21, 22, and 60. Applicants respectfully assert that the teachings of Morimoto and Vargas would provide insufficient guidance for one of ordinary skill in the art having these references before him/her to make the combination or modification suggested by the Examiner. Applicant respectfully asserts that the Examiner’s conclusion of obviousness is, instead, based on improper hindsight reasoning using knowledge gleaned only from Applicants’ disclosure.

For example, in contrast to Applicant’s invention the Vargas system does not describe or suggest a trusted server that is an impartial intermediary for contract implementation. A contract is not prepared or implemented in the Vargas system, thus the

trusted server cannot serve as an intermediary for these aspects of the contract. Vargas does not describe or suggest that any the business merger or acquisition contract is prepared or implemented by the system. Because the asserted combination of Morimoto and Vargas fails to teach or suggest several of the above-identified limitations, and because the asserted combination does not provide a sufficient basis to support a reasonable expectation of success or the requisite suggestion or motivation to combine or modify the references in the manner suggested by the Examiner, Applicants respectfully assert that a *prima facie* obviousness of Applicants' subject matter recited in independent claims 1, 21, 22, and 60 has not been established.

Dependent claims 2-15, 23-27, 33-40, 51, 52 and 61-62, which depend from independent claims 1, 21, or 60, were also rejected under 35 U.S.C. §103(a) as being unpatentable over the combination of Morimoto and Vargas. While Applicant does not acquiesce with any particular rejections to these dependent claims, it is believed that these rejections are now moot in view of the remarks made in connection with independent claims 1, 21, 22, and 60. These dependent claims include all of the limitations of the base claim and any intervening claims, and recite additional features which further distinguish these claims from the cited references. "If an independent claim is nonobvious under 35 U.S.C. §103, then any claim depending therefrom is nonobvious." M.P.E.P. §2143.03; *citing In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988). Therefore, dependent claims 2-15, 23-27, 33-40, 51, 52 and 61-62 are also allowable over the combination of Morimoto and Vargas.

The additional limitations of various dependent claims are also not taught by the asserted combination. For example, regarding the rejections of claims 2 and 37, the Office Action states that Morimoto discloses the trusted server identifies whether the merchant system has modified the contract. The Examiner points to paragraph (0014) as teaching this limitation. However, this limitation is not taught or suggested at the referenced paragraph. Morimoto is silent regarding any contract modification, and, as previously discussed, does not describe or suggest preparation of a contract between the merchant system and the buyer system. At paragraph (0014), Morimoto states that the purchaser may elect to execute the

contract or the reject the contract. Execution or rejection of a contract is not equivalent to modifying the contract as recited in Applicant's claims 2 and 37.

Regarding the rejections of claims 13 and 25, the Office Action states that Morimoto discloses the trusted server prevents repudiation of the transaction by the buyer system. The Examiner points to paragraph (0054) of Morimoto as teaching this limitation. At this section, Morimoto describes an embodiment where the purchaser provides specific terms regarding the purchaser's desires regarding the product to be sought by the broker-agent. Nowhere in this section does Morimoto mention preventing repudiation of the transaction by the buyer system.

Claims 16-19 and 28-31 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Morimoto and Vargas as applied to claims 14 and 22 respectively, and further in view of U.S. Publication No. 2003/0078862 by *Kojima et al.* (hereinafter "Kojima"). Claims 20 and 32 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Morimoto and Vargas as applied to claims 1 and 21, and further in view of U.S. Publication No. 2002/0107785 by *Melchior et al.* (hereinafter "Melchior"). Claims 53-59 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Morimoto and Vargas as applied to claims 21, and further in view of U.S. Patent No. 6,064,987 to *Walker et al.* (hereinafter "Walker").

Each of these obviousness rejections relies on Morimoto as a primary reference in combination with various secondary references to reject claims dependent on claims 1 or 22. Applicant reasserts previous arguments regarding the failure of the Morimoto-Vargas combination to support a *prima facie* case of obviousness with respect to independent claims 1 or 22. Kojima, Melchoir, and Walker also fail to teach or suggest the missing limitations. Dependent claims 16-20, 28-32, and 53-59 include all the features of the independent claim from which they depend along with additional limitations, therefore, claims 16-20, 28-32, and 53-59 are also patentable over the asserted combinations.

Claim 54 recites a charging engine that processes charging data to be made in multiple increments, where the multiple increments correspond to multiple events occurring according to the transaction. In rejecting this claim, the Examiner states "this difference is

only found in the nonfunctional descriptive material and is not functionally involved in the system.” Applicant does not understand the Examiner’s references to “nonfunctional descriptive material” or that this limitation is “not functionally involved in the system.” Applicant asserts that no descriptive material in the specification or claims are “non functional.” Applicant further asserts that charging in multiple increments corresponding to multiple events occurring in accordance with the transaction is functionally a part of one embodiment of the system and is patentable over the asserted combination of references.

In rejecting claims 56-58, the Examiner states that when the multiple events are a merchant offering, ceasing further buying based on a command received from the merchant system (claim 58) or after the buyer system (claim 56) or charging system (claim 58) has processed the charging data for previous merchant offerings are inherent steps.

Applicant respectfully disagrees. The cessation of buying may be based on various triggers, three of which are described in the rejected claims. In claim 56, the buyer system causes the buying to cease. In claim 57, the charging system causes the buying to cease, and in claim 58, buying ceases upon a command from the merchant system. These three possibilities for causing buying to cease are not inherent steps in the process. “To establish inherency, the extrinsic evidence ‘must make clear that the missing descriptive matter is necessarily present in the thing described in the reference, and that it would be so recognized by persons of ordinary skill. Inherency, however, may not be established by probabilities or possibilities. (emphasis added, MPEP 2112 (1V)). Applicant respectfully requests that the Examiner produce the requisite extrinsic evidence that would render these particularized elements of Applicant’s claimed invention inherent in view of the reference teachings or withdraw the rejections of these claims.

It is to be understood that Applicant does not acquiesce to Examiner’s characterization of the asserted art or Applicant’s claimed subject matter, nor of the Examiner’s application of the asserted art or combinations thereof to Applicant’s claimed subject matter. Moreover, Applicant does not acquiesce to the Examiner’s statements or conclusions concerning what would have been obvious to one of ordinary skill in the art, inherent steps, obvious design choices, common knowledge at the time of Applicant’s

invention, officially noticed facts, and the like Applicant reserves the right to address in detail the Examiner's characterizations, conclusions, and rejections in future prosecution.

Authorization is given to charge Deposit Account No. 50-3581 (NOKV.008PA) any necessary fees for this filing. If the Examiner believes it necessary or helpful, the undersigned attorney of record invites the Examiner to contact her to discuss any issues related to this case.

Respectfully submitted,

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